

STAFF CONFERENCE  
Minutes of Meeting Held in Director's  
Conference Room, 214 Administration Building  
Monday, 1 July 1957

Mr. Dulles Presiding

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1. Appropriation Hearings. Mr. Dulles said that he had met on Friday, 28 June, with the House Appropriations Committee for a review of the CIA budget. Although the discussion concerned general aspects of the Agency's program rather than details of the budget, there seemed to be no question that Congress intended to limit expenditures insofar as possible. DCI requested that those present endeavor to spend their funds on a programmed basis throughout the fiscal year and to avoid heavy expenditures in June as such practices were receiving particular scrutiny by the Congress.

Mr. Dulles said that he was asked whether hearings for CIA could not be conducted on the same basis as for the Armed Services. He replied that our situations were not comparable, in that Agency business is conducted primarily in foreign countries and that the review of our relations with the intelligence services and other governmental bodies of foreign countries might cause some distress, particularly in friendly countries. The point was not pressed by the Committee Chairman, although he will obviously be called upon to meet this problem with other elements of the Congress.

DCI said that the Committee had given the Agency a list of 40-50 questions on which answers were desired. Mr. Saunders announced that replies to questions forwarded to various components of the Agency for staffing would be needed by July 8 in order that the Agency reply could be forwarded by July 10.

2. FE Trip. General Cabell said that, during his recent trip to the Far East, he was impressed by the general level of competence of our personnel. He found morale generally good -- probably better at those stations where greatest hardships and workload are being experienced. He found relations of Agency personnel with other U.S. government elements to be good. He stressed the importance of avoiding over-emphasis on providing support types of personnel in the field because of the fact these specialists occupy spaces that substantive types of personnel could be filling.

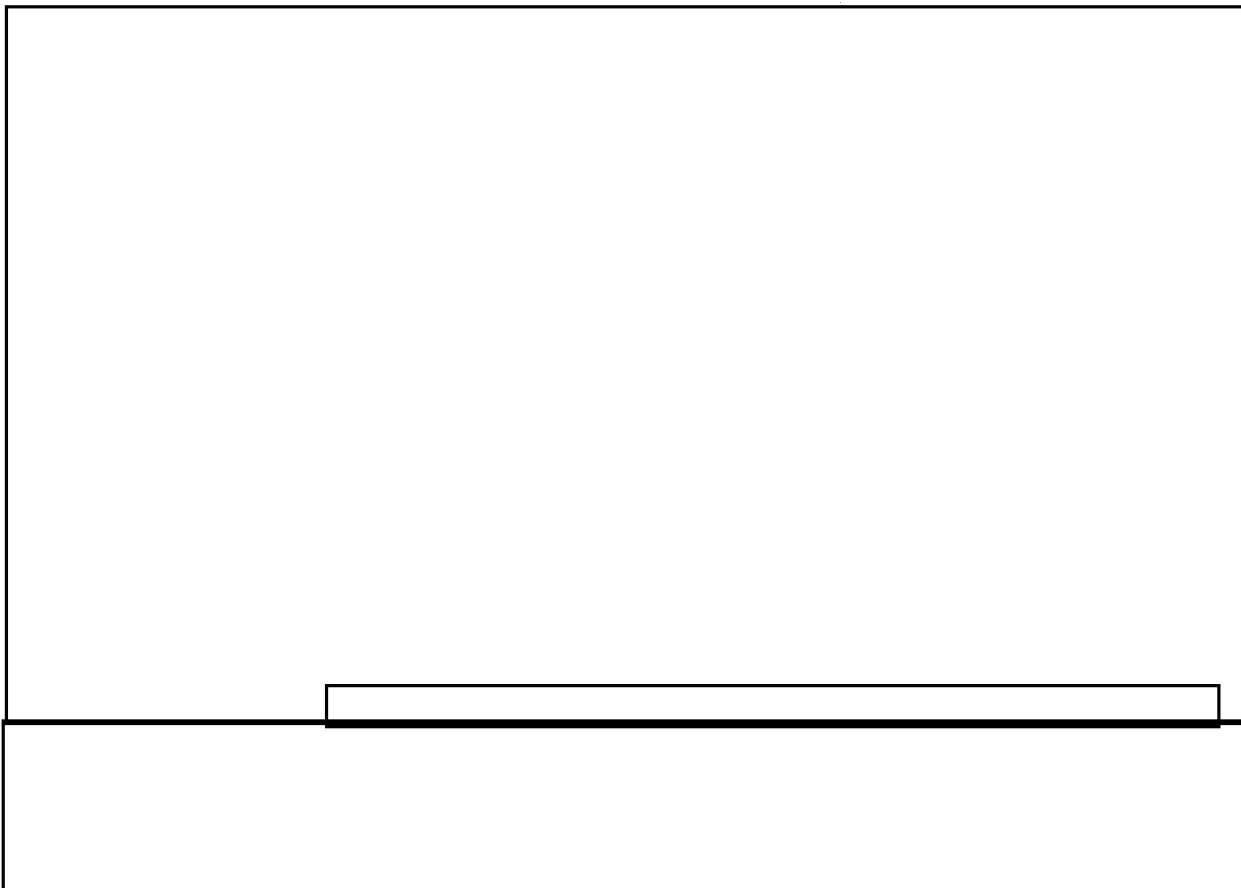
25X1 he cautioned Agency personnel against conduct that might lead to adverse local public reaction and, in this connection, expressed the feeling that our personnel are less inclined to get into trouble of this sort because of the fact that they live and work with the local population much more than military types. General Cabell stressed the fact that our personnel should continuously endeavor to live as much as part of the local scene as possible when they are on overseas assignments and should continuously guard against growing apart or becoming aloof from the indigenous population. DDCI said that in some places the Agency's role has decreased without a corresponding quick reduction in staffing. It is his feeling that we must expand quickly and reduce quickly when the operational situation necessitates such action.

Dr. Tietjen gave a brief review of his observations during the trip; the major problem he encountered was that of providing adequate medical care for our personnel at the more isolated stations such as:

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[redacted] His feeling is that we should develop a "community" approach to the problem with other government agencies in the areas. Dr. Tietjen also stressed the fact that, when we fill an overseas space, we assign a family rather than a person. He said that family adjustments overseas are a basic problem, particularly in the primitive areas.

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Mr. Wisner asked Mr. Sheldon what the situation is [redacted] with regard to control of Communist subversion. Mr. Sheldon said that [redacted] that they have this problem under control. Mr. Sheldon expressed serious doubts as to the ability [redacted] to control subversion in the area, however, because of their limited resources there.

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3. Premature Supervisory Action. General Cabell said that several instances had come to his attention recently wherein it seemed that supervisory personnel had acted hastily in dealing with subordinates on disciplinary matters and cited two examples of this. He emphasized that supervisors must examine succeeding steps carefully and discuss

such matters with their own supervisors and, when appropriate, their Deputy Director before proceeding with disciplinary actions that may or may not be supportable later on.

25X1 4. Operational Alert for 1957. [ ] reviewed the  
25X1 planning participation of the Agency in the 1957 alert exercise which  
will be [ ] 15 thru 19 July.

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25X1 6. Deputy Director for Coordination. The DCI announced that General Truscott is officially installed on this date as the Deputy Director for Coordination in the Agency. General Truscott then gave a brief review of his organization and functions.

THE MEETING ADJOURNED AT 1152 HOURS.

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Assistant to the Director